Clearing Advisory Notice

TO: Clearing Firms; Back Office Managers; CME CORE Users; PC SPAN Users

FROM: CME Clearing

DATE: 6/28/2021

ADVISORY #: 21-225

SUBJECT: **SPAN 2 Margin Framework Now Live for Testing in CME CORE User Interface and API**

In conjunction with CME's roll-out of the SPAN 2 framework for energy markets, the CME CORE user interface and API are now live to test SPAN 2 functionality. Initial testing of the SPAN 2 framework is based on a single point in time: June 4, 2021. As CME gets closer to going live with SPAN 2, risk data will be refreshed more frequently and a subsequent advisory will notify users once risk parameters are refreshed daily. CME CORE is the primary application for all business users and risk managers to analyze SPAN 2 margin requirements.

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Overview of CME CORE Enhancements to Support SPAN 2 Framework

CME CORE has been enhanced with a new beta user interface to support the SPAN 2 framework. The beta user interface will replace the Futures & Options Margin Calculator tool later this year.

Enhancements now **live** in CME CORE:

1. Static point in time SPAN 2 framework margining: June 4, 2021

2. SPAN versus SPAN 2 framework compare reporting
3. New portfolio upload formats in addition to existing CORE .csv format: SPAN software-compatible .pos and .csv; new Risk API .csv and .json (See CORE's Download Center for examples)
4. Improvements to portfolio/position manual entry and portfolio management
5. Positions edit (in-line quantity editing)
6. Portfolio copy
7. Enhanced Reporting (Risk Reporter)

Enhancements **coming soon** to CME CORE:

1. Omnibus portfolio support
2. Daily point in time SPAN 2 framework margin
3. Additional portfolio input formats
4. ITD point in time margin calculation
5. Historic point in time margin calculation

Getting Started with CME CORE

CME CORE is a free, web-based margin calculator that allows users to calculate and evaluate initial margin requirements for all CME Group products.

A user-defined CME Login ID is required to access CME CORE. If you need a CME Login ID, please follow these steps:

1. Go to the CME CORE login screen (https://cmecore.cmegroup.com/)
2. Click on the Need to Register link and provide the required information.
3. Receive your CME Login ID.

Once you have a CME login ID, log back into CME CORE and navigate to the Margin Calculator menu - FX and F&O Beta tab to begin testing.

Useful CME CORE Resources

- To help you get started, CME CORE demos are updated to reflect new functionality here: https://www.cmegroup.com/clearing/cme-core-overview-demo.html
- An overview of CME's Margin Services offerings is here: https://www.cmegroup.com/clearing/margin-services.html
- An overview of the SPAN 2 project is here: https://www.cmegroup.com/clearing/risk-management/span-overview/launching-span-2.html

Overview of CME CORE API Enhancements to Support SPAN 2 Framework

Enhancements now **live** in CME CORE API:

1. Static point in time SPAN 2 framework margining: June 4, 2021
2. New portfolio upload formats in addition to existing CORE API formats: new Risk API .csv and .json compatible with SPAN 2 deployable software (See CORE's Download Center for examples)

3. Enhanced Reporting (json payload compatible with SPAN 2 deployable software)

Enhancements **coming soon** to CME CORE API:

1. Omnibus portfolio support
2. Daily point in time SPAN 2 framework margin
3. Additional portfolio input formats
4. ITD point in time margin calculation
5. Historic point in time margin calculation

Getting Started with CME CORE API

The CME CORE API is designed to give programmatic users direct access to CME Clearing initial margin engines via a simple and secure REST API.

An API license and a user-defined CME Login API ID are required to access the CORE API.

Steps to gaining access to CME CORE API:

1. Contact the client services team at cme.core@cmegroup.com to request the API license
2. Return executed Margin API License Agreement to CME
3. Once license is complete, CME client services team will provide details on accessing the API test environment
4. Create your API ID:
    a. Log into CME Tools and Services: https://login.cmegroup.com/
        i. Either use an existing CME Login ID or create a new one
        ii. If you use an existing CME Login ID, do not use one with access to the Margin API today
    b. Go to your User ID - My Profile (top header)
    c. Select API Management Tab
    d. Select Create API ID
        i. Enter new ID beginning with "API_" and follow prompts to create and claim new API ID
5. Certification is required with the client services team to integrate with CORE API production environment

Useful CME CORE API Resources

- CME CORE API documentation landing page including latest schema: https://www.cmegroup.com/confluence/display/EPICSANDBOX/Margin+Service+API
- SPAN 2 enhancements:
    - Transaction Add support of new Risk API .json/.csv format: https://www.cmegroup.com/confluence/display/EPICSANDBOX/Margin+Service+API+-+Transaction+-+Add
    - Margin Calculate support of SPAN 2 Framework (riskFramework = NEXT): https://www.cmegroup.com/confluence/display/EPICSANDBOX/Margin+Service+API+-+Margin+-+Calculate

    - Margin Get support of SPAN 2 Framework (riskFramework = NEXT): https://www.cmegroup.com/confluence/display/EPICSANDBOX/Margin+Service+API+-+Margin+-+Get
    - All-in-One Call updated with JSON payload and riskFramework = NEXT: https://www.cmegroup.com/confluence/display/EPICSANDBOX/Margin+Service+API+-+ALL-IN-ONE+Call
- Additional details on the SPAN 2 Risk Framework and portfolio and margin result data models: https://www.cmegroup.com/confluence/display/EPICSANDBOX/SPAN+2+Risk+Analysis+Framework

Contact Details

For more information please contact CME CORE team cme.core@cmegroup.com with any questions.

Please allow 24-48 hours for response to inbound queries.